

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Suits- E.P.No 26/09 in O.S.No. 80/2002 filed by M/s Rao & Rao Engineering works, Vijayawada in respect of the work relating to "Improvements to Amudalapalli affluent Medium Drain from Km.0.00 to Km.6.70" - Depositing half of the decretal amount of Rs 21,88,079 as per the interim stay granted by the High Court in ASMP No.493/2010 in A.S No.854/2008 - Sanctioned – Orders – Issued.

IRRIGATION & CAD (DRAINAGE-1) DEPARTMENT

G.O.Rt.No. 728

Dated the 16th July, 2011
Read the following

1. From the ENC (I), Drg.Wing, Hyderabad Lr.No.CE/DR/OT1/AE5/ 1522 (Misc)/98, dt.18.11.2009
2. From the ENC (I), Drg.Wing, Hyderabad, Lr.No.ENC/DR/OT3/AE2/1522(Misc)/98, dt.17.05.2010.
3. From the ENC (I) Drg.Wing, Hyderabad Lr.No.ENC/DR/OT3/AE2/1522/Court Cases/2010, dt.17.01.2011.
4. G.O.Rt. No.2515, Finance (BG I) Deptt, dt.30.06.2011

ORDER:

In the reference first read above, the ENC (I), Drg. Wing has reported that the work relating to "Improvements to Amudalapalli affluent Medium Drain from Km 0.00 to Km 6.70" was entrusted to M/s Rao & Rao Engineering Works, Vijayawada vide agreement dt.25.07.91. The above work was sanctioned for Rs.18.00 lakhs. The work consisting of construction of single lane bridge and excavation of drain from Km 0.00 to Km 6.70. The value of contract was Rs.26.67 lakhs with an excess of 58.92%. The milestone for execution of work was fixed from 16.4.92 to 15.6.92. Without starting the work, the contractor insisted the department to increase the rates @ 60% over the original agreement to compensate for the steep escalation in the rates of labour, materials, oils transportation etc. Without taken over the site, the question of payment of advances to the labour, material, oil, machinery by the contractor does not arise. After completion of (5) years, the contractor has filed a suit in the Hon'ble VII Addl. District & Sessions Judge (FTC) Court, Vijayawada in O.S.No.80/02 for payment of Rs.22,72,643/-. The court had decreed the suit on 31.12.2007 in favour of the contractor with a direction to the dept. to pay to the contractor for the losses of advances for Rs.4.00 lakhs, loss of profit on the work of Rs.4,80,060/- and interest of Rs.30,248/- payable on the deposit upto 28.4.94 i.e. on which date the security deposit was returned to the plaintiff and an amount of Rs.13,64,335/- as interest on Rs.4,00,000/- and Rs.4,80,060/- respectively with a total amount of Rs.22,72,643/- with an interest @ 12% per annum from the date of suit i.e. 19.9.01 till the date of decree i.e. 31.12.2007 and thereafter @ 6% per annum till complete realization. Aggrieved by these orders, an appeal suit in AS.No.854/08 was filed by the Govt. in Hon'ble High Court of Hyderabad. In the mean-while, the contractor has filed E.P.No.26/09 in the lower Court for implementation of the decree in O.S. No.80/02, dated.31.12.2007.

2. The Second Addl. District Court has issued a notice to the District Collector, Krishna and the Superintending Engineer, Irrigation Circle, Vijayawada to attend the court for payment of decreed amount of Rs.43,53,405/- i.e. decreed amount, interest and cost, otherwise, the movable properties of the SE, IC, Vijayawada will be auctioned.

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3. In the meanwhile, the G.P. for Appeals, High Court of AP, addressed the Executive Engineer, Gudivada stating that the Hon'ble High court, AP, has ordered on 25.03.2010 to the respondents that having regard to the facts and circumstances of the case, there shall be stay of all further proceedings pursuant to the decree and judgement dt.31.12.2007 subject to the condition of the petitioners depositing half the decretal amount and costs within (8) weeks from 25-03-2010 failing which, the interim order stands vacated. On such deposit, the respondent plaintiff is permitted to withdraw the same without furnishing any security and requested to comply the order.

4. The ENC (I), Drg. wing, Hyderabad has calculated the payment and arrived as Rs.43,76,157/-, and requested the Government to accord sanction half of the decretal amount and costs i.e. Rs.21,88,079/- .

5. After careful examination of the above proposal of Engineer-in-Chief (I), Drg.Wing, Hyderabad Government hereby accord sanction for an amount of Rs.21,88,079/- (Rupees Twenty one lakh Eighty eight thousand and Seventy nine only) towards payment of half of the decretal amount to be deposited to the credit of O.S.No 80/2002 in connection with the works relating to "Improvements to Amudalapalli affluent Medium Drain from Km.0.00 to Km.6.70", for avoiding further legal complications in the pending E.P.No.26/2009.

6. The amount sanctioned in para (5) above shall be debitable to the detailed Head of Account 4711 - Capital outlay on Flood Control Projects 03 - Drainage MH103 - Civil Works GH.11 - Normal State Plan SH(06) - Krishna Delta Area 530/531 - Other Expenditure (charged) and shall be met in relaxation of Quarterly regulations from the provision re-appropriated in the reference 4th cited.

7. The Engineer-in-Chief (I), Drainage Wing, Hyderabad shall take necessary action in the matter accordingly.

8. This Order issues with the concurrence of Finance (Expr.PW) Department vide their U.O.No.15537/436/A1/ Expr.PW/11 dt.14.07.2011.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. PRASANTA MAHAPATRA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Engineer-in-Chief (Irrigation), Drainage wing, AP., Hyderabad.

Copy to:

The Director of Works and Accounts, Hyderabad.

The Accountant General, Andhra Pradesh, Hyderabad

The Superintending Engineer, Irrigation Circle, Vijayawada

The Pay and Accounts Officer, Machilipatnam.

The Finance (Expr.PW) Department.

The Finance (BG) Department.

The Law Department.

The P.S. to Special Chief Secretary to C.M

The P.S to Minister (Major & Medium Irrigation)

The P.S. to Prl.Secy. to Govt., I&CAD Deptt.

The P.S to Special Secretary to Govt., I&CAD Deptt.

SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER